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October 22, 2002

Via Electronic Filing
Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12<sup>th</sup> Street, SW, Room TWB-204
Washington, DC 20554

Re: <u>In the Matter of Review of Section 251 Unbundling Obligations of Incumbent</u>
<u>Local Exchange Carriers and Implementation of the Local Competition Provisions in the Local Telecommunications Act of 1996, CC Docket No. 01-338; 96-98; 98-147</u>

In the Matter of Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, CC Docket No. 02-33; 95-20; 98-10

Dear Ms. Dortch:

Yesterday, James Cicconi, Senior Vice-President & General Counsel of AT&T, Corp., met with Commissioner Kevin Martin and discussed issues related to the aforementioned proceedings. During the meeting, Mr. Cicconi generally discussed with Commissioner Martin the impairment analysis evidence submitted by AT&T in the aforementioned dockets. During the course of their discussion, Mr. Cicconi emphasized that for almost six years after passage of the Telecommunications Act, no residential competition was available to consumers for the simple reason that the Bell companies refused to provide their competitors with access to UNE-P. Only recently, state commissions have begun to finish the work necessary to set network element rates in a manner that permits competitors to enter local markets. Because of the lead taken by state commissions, consumers are finally starting to see the benefits of local competition that were promised by the Act. The availability of UNE-P today permits AT&T and other CLECs to economically operationalize a competitive All Distance offering to residential customers where state regulatory conditions permit because those competitive carriers can provision their service offerings to customers in a fully mechanized manner.

Mr. Cicconi explained that "facilities-based" competition will never become a widespread reality until the last mile provisioning issues (including exorbitant manual processing charges imposed by the ILECs, manual provisioning costs incurred by the CLEC because of those processes, unnecessary colocation expense, unacceptable customer service performance, as well as constrained volumes which make marketing expenditures much more costly and less effective) are fully addressed with some form of mechanized provisioning. In addition, Mr. Cicconi referenced other obstacles which impair competitors from fully utilizing the existing facilities that CLECs have already built, including rights-of-way issues, building access issues and commingling and use restrictions on high capacity facilities.. Mr. Cicconi expressed AT&T's desire to continue to work with the Commission to resolve these issues in an expedited manner consistent with the purposes of the Telcom Act. All of the issues discussed by Mr. Cicconi are addressed in detail in AT&T's submissions in these dockets. Finally, Mr. Cicconi reviewed AT&T's concerns in the wireline broadband proceeding, consistent with AT&T's written submissions in that proceeding.

Consistent with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the above-referenced proceedings.

Sincerely,

Robert W. Zuinn J.

cc: Commissioner Kevin Martin

Dan Gonzalez